

**SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION
OFFICIAL MEETING MINUTES
January 23, 2019**

- The Public Facility Corporation met in session at 11:10A.M., 114 W. Commerce Street, San Antonio, Texas 78205 Municipal Plaza “C” Room
- The meeting was called to order by Councilwoman Rebecca Viagran and the roll was called by JD Hernandez.

PRESENT: Roberto Treviño, Rebecca Viagran, Rey Saldaña, Shirley Gonzales

ABSENT:

• **Staff/Visitors Present:**

John Kenny, San Antonio Housing Trust Public Facility Corporation; JD Hernandez, San Antonio Housing Trust Public Facility Corporation; Nicole Collazo, San Antonio Housing Trust Public Facility Corporation Ben Olivo, SA Heron; Debra Guerrero, NRP Group; Ruben Lizalde, D3; Michael Rodriguez, COSA-NHSD; Ian Benavidez, COSA-NHSD; Jason Are, NRP Group; Dan Markson, NRP Group; Rich Acosta, MCMC; Steve Poppon, HRES; Jay Podjenski, D1; Tim Salas, D4; Scott Zimmerer, CAO

1. Approval of minutes – September 26, 2018 and November 28, 2018 Public Facility Corporation Minutes COMMISSION ACTION:

The motion was made by Councilwoman Gonzales and seconded by Councilman Treviño to amend the September 26, 2018 minutes, and to approve the November 28, 2018 minutes.

AYES: 4

NAYS: 0

ABSTAIN: 0

THE MOTION CARRIED

2. Citizens to be heard – Rich Acosta – My City is My Home

Mr. Acosta voiced concern that not all those that have or having received funds from the City of San Antonio are not required to accept section 8 vouchers. He is requesting that the programs start accepting section 8 vouchers is possible.

3. Briefing on financials.

Mr. James Plummer briefed on the PFC Balance sheet which contains \$3.1 M in cash, \$364,171 due from Red Berry TIRZ, and \$17,422 due from COSA for CDBG Funds. There is a \$500,000 pending payment into the Under One Roof program. The cash balance for the Public Facility Corporation is \$3.5 Million. There is also, roughly a million dollars in the Finance Corporation. Councilwoman Viagran would like to see allocations for City programs, such as the Under 1 Roof program, within the Balance Sheet.

4. Briefing on Baldwin Apartments Lease Up

Mr. Plummer briefed the Board on the different occupations that occupy the Baldwin. Councilwoman Gonzales asked to get a tenant breakdown.

COMMISSION ACTION:

No action was required.

AYES: 0

NAYS: 0

ABSTAIN: 0

5. Resolution authorizing a Term Sheet with NRP Properties, LLC for the development of San Pedro Creek Apartments (also known as West Cevallos Apartments); and other matters in connection therewith.

This is a non-binding resolution executing a term sheet with NRP for the San Pedro Creek Lofts. This project has 50% of the units set aside for tenants whose income is 80% or less than the AMI. Of that 50%, 10% are set aside between the 1- and 2-bedroom units at 60% of AMI. Rents will not be raised higher than 35% of the AMI number. To be able to provide the 60% AMI units, there is an Affordability Reserve set aside that will be funded with \$250,000 from the project budget and will be replenished from the PFC's share of cash flow. There will be no deed restrictions upon this project due to the CAP Rate increasing. This increase will negatively impact equity.

Mr. Dan Markson spoke on the great job that the Board is doing on providing affordable housing within the City. Though, he cautions the Board that providing different AMI brackets within the same project could make the deal too complicated for resale purposes and certain AMI brackets might not even be needed within that area of the City.

A motion was made by Councilman Treviño and seconded by Councilwoman Gonzales to approve the Resolution authorizing the execution of a Term Sheet with NRP for the San Pedro Creek Lofts.

AYES: 4

NAYS: 0

ABSTAIN: 0

THE MOTION CARRIED

6. Resolution concerning the Application of Luna Lofts, Ltd. for the Luna Lofts Apartments to be located at 4415 San Pedro Avenue and other matters in connection therewith.

This is an inducement for a proposed 9% tax credit transaction for NRP's Luna Lofts Apartments. This is the first 9% Tax Credit deal that has been offered. Previously, to receive the 9%, there had to be a 501 C3 non-profit entity to receive 1 point. The QAP has been changed to allow 1 point for utilizing a historically under-utilized business. These deals are relatively small in unit count. There are only 74 units in this project.

A historically under-utilized business is typically a business owned by women or minorities which is certified by the state. These businesses are encouraged ownership and participation with in housing development.

This is a non-binding resolution to allow NRP to get in line to apply for Tax Credits. Stated for the record, NRP intend to apply for HOME funds.

A motion was made by Councilman Treviño and seconded by Councilman Saldaña to approve the resolution concerning the application of Luna Flats, LTD. for the Luna Lofts Apartments.

AYES: 4

NAYS: 0

ABSTAIN: 0

THE MOTION CARRIED

7. Resolution concerning the Application of Hamilton Wolfe Lofts, Ltd. for the Hamilton Wolfe Lofts Apartments to be located at Hamilton Wolfe Road and Princeton Place and other matters in connection therewith.

This is another inducement for the 9% Tax Credit Deal for NRP. This is the same structure as Luna Lofts Apartments.

A motion was made by Councilwoman Gonzales and seconded by Councilman Treviño to approve the resolution concerning the application of Hamilton Wolfe Lofts LTD. for the Hamilton Wolfe Lofts Apartments.

AYES: 4

NAYS: 0
ABSTAIN: 0

THE MOTION CARRIED

8. **Discussion and possible action regarding the policy governing use of corporate funds for grants and loan to support affordable housing.**

At the September 26th, 2018 meeting, it was discussed and approved to grant a combined fund of \$2 Million to the Under One Roof program, as well as, the Minor Repair program. At that time, there was no information to guide the Board on if the Minor Repair program needed any such grants. Since then, it has been brought to the Boards attention that the City has set aside \$6 Million in Home Repair programs and that the \$2 Million should strictly go to the Under One Roof program.

Mr. Peter Zanoni Explained that there was ample funding for the Home Repair programs. He also explained the difference between Owner Occupied Rehab and Minor repair programs. The Owner-Occupied Rehab program was a complete rehab of the home, were as the Minor Repair program was just for minor repairs.

A motion was made by Councilman Treviño and seconded by Councilman Saldaña to amend the prior Board resolution awarding \$2 Million exclusively to the Under One Roof program

AYES: 4
NAYS: 0
ABSTAIN: 0

THE MOTION CARRIED

Adjournment

The meeting was adjourned by Councilwoman Gonzales at 12:17 PM